

# A Look at Sanctioning Iraq

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## Articles & Testimony

**T**he U.N. economic sanctions on Iraq, now more than nine years old, continue to elicit strong objections from those who view them as unjust.

Only two weeks ago, Hans von Sponeck, the U.N. humanitarian coordinator for Iraq, resigned. The sanctions, he said, create a "true human tragedy that needs to be ended." Reps. Tom Campbell (R-Calif.) and John Conyers (D-Mich.) made a similar argument last month in a letter signed by 68 other members of the House of Representatives calling on President Clinton to lift the sanctions because of the suffering they have caused the Iraqi people.

As laudable as such concern is, the proposed solution is misguided: Lifting the sanctions will not end the suffering--and may very well worsen it.

Simply stated, the sanctions require that the U.N. approve all Iraqi imports and exports, including oil. Most trade takes place through the "oil-for-food" program, started in 1996, which allows Iraq to use proceeds from U.N.-monitored oil sales to buy and import "humanitarian goods," such as food and medicine. The program is not working well, and the problems lie in Baghdad, not in New York.

Iraqis are indeed suffering, but not because of sanctions. The rule of Iraqi President Saddam Hussein is the problem--a point supported by the work of Max van der Stoel, the U.N. human rights special investigator for Iraq. That country's human rights record is one of the bleakest anywhere since the end of World War II, according to a report Van der Stoel wrote last year. The Iraqi leader's rule "entails systematic and systemic violations...affecting virtually the whole population."

Given all of that, trusting Saddam Hussein to look out for the welfare of Iraqis sounds like trusting Pol Pot to safeguard the welfare of Cambodians. Saddam Hussein, after all, is a man who in 1988 gassed part of his own country, killing 5,000 people in a chemical weapons attack on the northern Iraqi town of Halabja. The U.S. government has called for the Iraqi leader to be tried before an international tribunal for war crimes, including the destruction of more than 3,000 Kurdish villages in the 1970s and 1980s.

Despite the U.N. program, Saddam Hussein complains that Iraq lacks the resources to pay for medicine. But the dollar value of the approved imports is vast. Originally, the value of oil Iraq could sell was capped, at least in theory. But the limit was so high--most recently \$5.265 billion for 180 days--that it was rarely reached. In December that

ceiling was lifted entirely.

Iraq should be prospering. It has become the world's second-largest oil exporter, after Saudi Arabia. It earned \$11.4 billion from U.N.-monitored exports in 1999--an amount matched only once in the 18 years since the start of the Iran-Iraq war. (Of that total export figure, slightly more than half will translate into humanitarian goods for Baghdad; another 13 percent will go to the Kurdish-controlled north; the U.N. retains 4 percent for operating expenses; and the remaining 30 percent is retained as compensation for Persian Gulf War damages.)

Iraq is set to earn an estimated \$19 billion from the export of oil in 2000, in part because of rising prices. Still, in response to Iraqi government complaints that its oil earnings are too low, the U.N. has agreed to a program that would allow Iraq to import enough oil field equipment to increase output by an estimated 24 percent within a few years. Just how will Iraq pay for this plan? The U.N. approved allocating oil-for-food funds (or should I say oil-for-equipment funds?) to the tune of \$300 million in 1998, \$900 million in 1999 and \$600 million for the first half of 2000.

What's more, the notion that Iraq exports oil only under the auspices of the U.N. program is fiction. It also exports about \$500 million worth outside U.N. control--most of it to Jordan. As a reward for Jordan's participation in the Arab-Israeli peace process, the U.N. turns a blind eye to the \$330 million a year that Iraq earns from the 96,000 barrels a day it supplies to its neighbor. Iraq sells the oil at a cut-rate price, presumably to secure Jordanian sympathy. Oil is also smuggled out of Iraq via Iranian waters or overland to Turkey. The Iraqi president uses those oil riches to finance illicit arms and luxuries like the materials for his palaces rather than for humanitarian needs. Saddam Hussein's personal wealth is estimated at \$6 billion, according to Forbes magazine--money that comes from corruption, not from his skill as an investor.

In 1999, Iraq's national income was higher than Syria's. (Both countries have distorted economies and unreliable statistics, but Iraq's GNP per capita is at least \$1,000 compared with no more than \$900 in Syria). Yet by all accounts, there is no large-scale malnutrition in Syria; its president, Hafez Assad, is not in the same league of brutality as Saddam Hussein. And in Yemen, where the GNP per capita is \$270--about one-fourth as much as Iraq's--malnutrition is less common than in Iraq.

That's because many of the humanitarian imports that reach Iraq are not being used well. At one point in 1999, more than half the medicines imported under that program remained in warehouses, according to U.N. reports. Saddam Hussein does nothing to resolve the bureaucratic inefficiencies that tie up the program. His government has proven it can move swiftly when it wants to, as evidenced by the \$2 billion spent to construct new presidential palaces since the Persian Gulf War. For that matter, hospitals for the elite such as Saddam Cardiac Hospital are not short of medicines.

U.N. and nongovernmental organization surveys show that hundreds of thousands of the roughly 4.8 million Iraqi children under age 5 suffer from malnutrition-induced stunting or wasting. Yet the U.N. Food and Agriculture Organization estimates that food available in Iraq has never dropped below the equivalent of 2,270 calories per person per day. That is close to the optimum diet of 2,400 calories per day and well above the minimum number per day to sustain health, which is 1,900. Saddam Hussein is not interested in making the nutrition programs work well. During 1998 and 1999, he refused to import badly needed baby formula; he did, however, unsuccessfully try to use oil-for-food money for telecommunications projects and railroads, which he called humanitarian but which have internal security and military purposes.

The oil-for-food program's imports currently amount to 2,300 calories per Iraqi per day. With so much food being imported, Iraqi food producers have lost much of their market, despite the U.N. program's allocation of \$600 million a year for imports for the agriculture sector, such as 3,000 tractors and 14,000 irrigation pumps in the first half of

this year. To find a market, some Iraqi producers have to export food. Allied patrols in the Persian Gulf stopped three ships last October carrying clover, lentils, licorice, jute seeds and other agricultural products out of Iraq, according to the U.S. State Department.

Iraq complains that the U.N. humanitarian plan cannot be carried out in full because holds are put on some of its requests for import licenses, including those needed for some humanitarian goods. Such "holds" result from Iraq's imaginative diversion schemes. Not long ago, it sought to import six lithotripters--advanced devices that use shock waves to break up kidney stones without surgery--plus enough spare parts to last decades, according to Gary Milhollin, writing late last year in the New Yorker. Because the lithotripters trigger their shock waves with the same switches used in nuclear bombs, France said no.

Russia and France have proposed that Iraq be freed from the U.N. restrictions on the use of oil export proceeds. If that were to happen, Saddam Hussein would no doubt allocate money for his priorities--first and foremost the military (arms if he can get them, otherwise the industries with which to make them). That would leave even less funding for imports that benefit the Iraqi people.

The U.N. program allows Iraq to import a great deal. The latest distribution plan, covering 180 days, allocates \$321 million for electricity, \$260 million for housing, \$230 million for transportation, \$119 million for education, \$198 million for water and sanitation, as well as the \$300 million for agriculture and \$600 million for the oil industry mentioned earlier. This is far more than humanitarian relief: It is an all-around development program.

To see what could be done with such resources, one need only look to Kurdish northern Iraq, which has an autonomous government, free of Saddam Hussein's control. There, the U.N., not Baghdad, administers the aid program, and life is looking up. The infant mortality rate is lower than the pre-sanctions level of 1990, and the local economy is booming. At Suleimaniya University, students surf the Internet. With such progress as a model, the solution for the rest of the country is clear, and it is not to rescind the sanctions. The answer is to move Saddam Hussein out of the way, and the sooner the better. The suffering of his people will end when his rule ends, and not before.

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